## REMARKS

In order to expedite the prosecution of the present application, "objected to" Claim 3 has been canceled and resubmitted in independent form as newly added Claim 5. Additionally, Claim 1 has been amended in order to more particularly point out and distinctly claim the subject matter which Applicants regard as the invention. Specifically speaking, Claim 1 now recites that the internal gear is cylindrically-shaped. Support for this amendment can be found in the first full paragraph on page 8 of the clean copy of the substitute specification. No new matter has been added.

Claims 1, 2 and 4 have been rejected under 35 USC 103(a) as being unpatentable over Ohkubo in view of Kanamaru et al. Applicants respectfully traverse this ground of rejection and urge that the currently presented claims clearly are patentably distinguishable over this reference.

Currently presented Claim 1 is directed to a differential gearing unit for a vehicle. The gearing unit comprises a cylindrically-shaped internal gear, a sun gear disposed inside the internal gear concentrically therewith, planet gears disposed between the internal gear and the sun gear in meshing engagement therewith for transmitting torques, and a planetary carrier for carrying the planet gears so as to be capable of revolving around an axis of the sun gear and on their own axes. The internal gear is molded by a plastic working and includes an internal gear tooth formed on the inner peripheral surface and a spline groove formed on the outer peripheral surface which are axially separated from each other.

As discussed previously, the instant invention provides a differential gearing unit for a vehicle which dispenses with the provision of a work grinding undercut during the formation of the gear teeth, which allows the internal gear to be formed in a small size by providing an internal gear which is molded by plastic working and includes an internal gear tooth formed on an inner peripheral surface that is axially separated from

a spline groove formed on an outer peripheral surface and the internal gear being in the form of a cylinder. It is respectfully submitted that the prior art cited by the Examiner does not disclose the presently claimed invention.

As stated by the Examiner, the Ohkubo reference discloses an internal gear which has an internal gear tooth formed on its inner side and a spline groove formed on its outer side. However, the internal gear of Ohkubo does not have a cylindrical shape and instead is formed to have a stepped configuration with the internal gear tooth and the spline groove being formed on different stepped portions of the internal gear.

In contrast to the power transfer device of Ohkubo, the present invention has an internal gear tooth 4b formed on the inner side of the cylindrical internal gear and a spline groove 4a formed on the outer side thereof which are molded by plastic working and axially displaced from each other. This enables the internal gear to obtain sufficient strength and yet have a reduced size as opposed to the prior art. Therefore, the secondary reference cited by the Examiner must provide the motivation to one of ordinary skill in the art to modify the internal gear of Ohkubo in a manner to yield the presently claimed invention. It is respectfully submitted that the secondary reference contains no such disclosure.

The Kanamaru et al reference has been cited by the Examiner as disclosing a planetary gear unit which comprises an internal gear, a sun gear, planet gears meshing with the internal gear and the sun gear and a carrier for carrying the planet gears. The internal gear of this reference is molded by plastic working. However, this reference does not provide any motivation to one of ordinary skill in the art to modify the primary Ohkubo reference such that the stepped internal gear disclosed there is changed to have a cylindrical shape as is required by the currently presented claims. As such, it is respectfully submitted that the presently claimed invention is

patentably distinguishable over Ohkubo in combination with Kanamaru et al.

Reconsideration of the present application and the passing of it to issue is respectfully solicited.

Respectfully submitted,

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